



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

City Delivery Office Efficiency — Greater Boston District

Audit Report

Report Number
DR-AR-15-007

May 28, 2015



UNITED STATES POST OFFICE
PEABODY, MA. 01960



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

Highlights

The Greater Boston District has opportunities to enhance efficiency in city delivery office operations.

Background

City delivery office operations cover every duty a U.S. Postal Service letter carrier performs in the office.

These duties include casing mail (placing mail in delivery order), preparing parcels for delivery, and retrieving accountable items, such as keys and postage due. City letter carriers are delivering more packages and fewer letters to more addresses each year. To accommodate this growth, the Postal Service must deliver the increased package volume and maintain efficiency.

In fiscal year (FY) 2014, Greater Boston District city letter carriers delivered over 2.2 billion mailpieces on 3,701 routes to more than 1.8 million delivery points. City delivery office workhours for this period totaled 1,858,595.

Our objective was to assess the office efficiency of city delivery operations in the Greater Boston District.

What The OIG Found

The Greater Boston District has opportunities to enhance efficiency in city delivery office operations. We found the district's percent to standard, a measurement that assesses office efficiency, was 123.23 percent, 16.14 percentage points above the national average of 107.09 percent. A percent to standard score greater than 100 percent indicates performance is less than the desired standard. In FY 2014, 68 of 183 delivery

units (37 percent) used 265,462 more office workhours, or about 21 more minutes of office time per day on each route, which resulted in \$12.3 million in questioned costs.

These conditions occurred because of late mail arrival, time-wasting practices of carriers, and improperly staged delivery point sequence letters. We also found outdated or non-existent integrated operating plans, and managers not always enforcing policies and procedures. Eliminating these workhours would increase overall efficiency at delivery units and allow an additional one-time cost avoidance of about \$12.3 million.

We also identified inadequate safeguards over stamp stock, cash, and money orders valued at \$512,371 at 11 delivery units. Management immediately initiated corrective action on these matters; therefore, we are not making a recommendation on this issue.

At the request of the manager, Greater Boston District, we surveyed city carrier assistants on retention issues. To increase retention, the city carrier assistants stated they wanted higher pay, benefits, opportunities for career positions, fixed days off, additional training, and performance feedback. We are referring this issue to our Human Resources and Support Directorate for further review.

What The OIG Recommended

We recommended the manager, Greater Boston District, eliminate 265,462 workhours at the delivery units, prepare up-to-date integrated operating plans, and eliminate inefficient office practices. Further, he should ensure letter mailpieces arrive in route order and adhere to Postal Service supervisor policies and procedures.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

May 28, 2015

MEMORANDUM FOR: JOHN W. POWERS III
DISTRICT MANAGER, GREATER BOSTON DISTRICT

E-Signed by Robert Batta
VERIFY authenticity with e-Sign
Robert J. Batta

FROM: Robert J. Batta
Deputy Assistant Inspector General
for Mission Operations

SUBJECT: Audit Report – City Delivery Office Efficiency –
Greater Boston District (Report Number DR-AR-15-007)

This report presents the results of our audit of City Delivery Office Efficiency – Greater Boston District (Project Number 15XG008DR000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Rita F. Oliver, director, Delivery Operations, or me at 703-248-2100.

Attachment

cc: Corporate Audit and Response Management

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Findings

Introduction

This report presents the results of our self-initiated audit of City Delivery Office Efficiency – Greater Boston District (Project Number 15XG008DR000). Our objective was to assess the efficiency of city delivery office operations in the Greater Boston District (see [Appendix A](#) for additional information about this audit).

City delivery office operations cover every duty a letter carrier performs in the office, including casing mail¹, preparing parcels for delivery, and retrieving accountable items. City letter carriers are delivering more packages and fewer letters to more addresses each year. Accommodating this growth in the delivery network requires the U.S. Postal Service to deliver the increased package volume and maintain efficiency.

In fiscal year (FY) 2014, city letter carriers in the Greater Boston District delivered over 2.2 billion mailpieces on 3,701 routes to more than 1.8 million delivery points. City delivery office workhours for this period totaled 1,858,595. The Greater Boston District's percent to standard² was the second highest in the nation, at 123.23 percent. This was 16.14 percentage points above the national average of 107.09 percent. This variance means delivery units in the Greater Boston District used more office time, on average, than the national average (see Table 1).

**Table 1. Top 10 Districts Percent to Standard Comparison
October 1, 2013 Through September 30, 2014**

	Top Ten Districts	Percent to Standard
1	LONG ISLAND	124.68
2	GREATER BOSTON	123.23
3	SIERRA COASTAL	121.83
4	CAPITAL	120.32
5	ATLANTA	120.17
6	NEW YORK	119.44
7	LOS ANGELES	118.84
8	COLORADO/WYOMING	118.71
9	CONNECTICUT VALLEY	118.45
10	TRIBORO	117.87
	NATIONAL	107.09

Source: Postal Service eFlash Data System.

¹ Placing mail in proper separations (wickets) of letter or flats case.

² A measure of carrier office workhours performance in relation to mail volume and delivery points. A figure of 100 percent indicates the office performs at the stated performance goal. A figure greater than 100 percent indicates the delivery unit's office performance is below the desired standard. We did not include street efficiency in our review because street operations have no preferred measurement of efficiency.

We also identified inadequate safeguards over stamp stock, cash, and money orders valued at \$512,371 at 11 delivery units.

We visited 30 randomly selected city delivery units and found late mail arrival, inefficient office practices, unshelved DPS mail, outdated or non-existent IOPs , and managers not always enforcing policies and procedures.

Conclusion

The Greater Boston District has opportunities to enhance efficiency in city delivery office operations. We found the district's percent to standard, a measurement that assesses office efficiency, was 123.23 percent, 16.14 percentage points above the national average of 107.09 percent. A percent to standard score greater than 100 percent indicates performance is less than the desired standard. In FY 2014, 68³ of 183 delivery units (37 percent) used 265,462 more office workhours, or about 21⁴ more minutes of office time per day on each route, which resulted in \$12.3 million in questioned costs.

These conditions occurred because of late mail arrival, time-wasting practices of carriers, and improperly staged delivery point sequence⁵ (DPS) letters. We also found outdated or non-existent integrated operating plans (IOP),⁶ and managers not always enforcing policies and procedures. Eliminating these workhours would increase overall efficiency at delivery units and allow an additional one-time cost avoidance of about \$12.3 million.

We also identified inadequate safeguards over stamp stock, cash, and money orders valued at \$512,371 at 11 delivery units. Management immediately initiated corrective action on these matters; therefore, we are not making a recommendation on this issue.

At the request of the district manager, we surveyed city carrier assistants (CCA) on retention issues. To increase retention, CCAs stated that they wanted higher pay, benefits, opportunities for career positions, fixed days off, additional training, and performance feedback. We are referring this issue to our Human Resources and Support Directorate for further review.

Office Efficiency

City letter carriers in the Greater Boston District could use about 21 fewer minutes of office time per day on each carrier route. We visited 30 randomly selected city delivery units (see [Appendix B](#)) and found late mail arrival, inefficient office practices, unshelved DPS mail, outdated or non-existent IOPs, and managers not always enforcing policies and procedures.

Mail Arrival

At 24 of 30 delivery units we visited, mail did not always arrive on time or in the proper mail mix, as outlined in the IOP.⁷ We observed carriers having to wait up to 1 hour for mail. Additionally, during our observations, a delivery unit supervisor provided documentation showing mail for 13 delivery units that would arrive late that morning (five were among our selected units). The documentation did not include estimated arrival times for these units. The IOP is designed to help stabilize mail flow and is critical in establishing appropriate staffing and reporting times to ensure carriers are not delayed (see [Figure 1](#)).

3 From the 183 delivery units, we identified a universe of 68 delivery units with 15 or more routes with a percent to standard higher than the national average. We selected a sample of 30 units from this universe of 68 to conduct onsite observations.

4 We based computation on 15,927,720 minutes (265,462 hours above the national average percent to standard multiplied by 60 minutes per hour) divided by 2,533 routes divided by 302 annual delivery days to get about 21 minutes per route per day.

5 A process for sorting bar-coded letter mail at the processing facilities and delivery units into the carrier's line-of-travel. Carriers can take mail directly to the street, with no casing time in the office.

6 The IOP contract covers mail arrival from the plant and identifies the mail product agreed to for each individual trip. The primary purpose is to stabilize mail flow (for example, arrival time of DPS, auto letters, and auto flats), based on other requirements for mail arrival, such as the mail mix/unit distribution percentage.

7 Delivery unit and processing plant management establish, coordinate, and update IOPs for units to receive the proper mail types at scheduled times so carriers do not have to wait for mail before departing for the street, potentially delaying their return to the office.

Figure 1. Carriers Waiting For Mail



Source: U.S. Postal Service Office of Inspector General (OIG) photograph taken November 18, 2014, at 9:07 a.m.



Source: OIG photograph taken November 20, 2014, at 9:04 a.m.

We found that some carriers incurred additional time by waiting at the accountable cage to obtain accountable items such as certified or Registered Mail™.

District management indicated that there were several additional factors which contributed to late-arriving mail. These factors included a recent Area Mail Processing (AMP) consolidation,⁸ which management completed in March 2014, as well as a bio-hazard incident and an electrical power outage at the Boston Processing and Distribution Center.⁹

Inefficient Office Practices

We observed instances of carrier inefficiencies while on office duty, including time-wasting practices such as carriers waiting in line for accountable items¹⁰ and loading their vehicles on office time.

We found that some carriers incurred additional time at 18 of 30 delivery units by waiting at the accountable cage to obtain accountable items such as certified or Registered Mail™. Three units did not have an accountable cart¹¹ to distribute the mail to carriers, while other units chose not to use the carts due to limited space. Postal Service policy¹² states that accountable items must be available for carriers in a timely manner. Since carrier time should be minimized in accountable operations, use of a mobile accountable cart is highly recommended if facility space is available (see [Figure 2](#)).

⁸ The OIG issued the report *Timely Processing of Mail at the Boston, MA, Processing and Distribution Center*, (Report Number NO-AR-14-007, dated May 19, 2014) that addressed the AMP consolidation.

⁹ Management stated the bio-hazard incident occurred on November 28, 2014, and the electrical power outage occurred on December 18, 2014.

¹⁰ Accountable items are keys, postage due, customs duty, and special services mail.

¹¹ Clerks use accountable carts to transport items from the accountable cage to the carriers.

¹² *Field Operations Standardization Development, Morning (AM) Standard Operating Procedures (AMSOP) II Guidebook*, Section 3-1, 2007.

Figure 2. Carriers Waiting For Accountable Items



Source: OIG photograph taken December 2, 2014, at 7:30 a.m.

We also observed city carriers at 12 of the 30 delivery units loading vehicles on “office time” rather than clocking¹³ to “street time” before loading their vehicles, resulting in unnecessary office time at these units. Postal Service policy¹⁴ states that after clocking to street time, carriers should proceed directly to their vehicles and load the mail in an orderly fashion.

Some carriers were delayed when retrieving their routes’ DPS mail. At 16 delivery units, DPS letters were not properly staged.

Delivery Point Sequence Mail

Some carriers were frequently delayed in the office for up to 5 minutes or more when retrieving their routes’ DPS mail. At 16 of the 30 delivery units we visited, DPS letters arrived in mail transport containers stacked on top of each other and not properly staged. As a result, carriers could not easily identify or retrieve mail as they departed for street operations, delaying carriers’ departure and extending office time. According to management there was a lack of proper equipment for transporting DPS letter trays. Postal Service policy¹⁵ states that mail processing should stage DPS letters for transport in shelved or modified containers so individual trays do not have to be rehandled at the delivery unit. Policy¹⁶ also states that DPS mail is not to be distributed to carriers, but staged near the exit for transport to vehicles so it can be taken directly to the street without further handling (see Figure 3).

Figure 3. DPS Mail Received in Unshelved Containers



Source: OIG photograph taken November 20, 2014, at 7:43 a.m.



Source: OIG photograph taken December 2, 2014, at 8:04 a.m.

¹³ References to clock rings include time entries that are recorded electronically, mechanically (using a time clock), or manually (written in). All bargaining unit and casual employees are required to use time clocks (if available) to record clock rings on their time cards.

¹⁴ Handbook M-39, *Management of Delivery Services*, Section 125.1, March 1998.

¹⁵ *Field Operations Standardization Development, Morning (AM) Standard Operating Procedures (AMSOP) II Guidebook*, Section 2-6, 2007.

¹⁶ *Field Operations Standardization Development, Morning (AM) Standard Operating Procedures (AMSOP) II Guidebook*, Section 4-5, 2007.

Supervisors did not always set daily expectations for carrier route performance during morning office operations.

Outdated or Non-Existent Integrated Operating Plans

IOPs were outdated¹⁷ or non-existent at delivery units. IOP contracts cover mail arrival from the plant and identify the mail product agreed to for each individual trip. The primary purpose of the IOP is to stabilize mail flow and assist the delivery unit in establishing appropriate staffing and reporting times to ensure carriers are not delayed.

Enforcing Policies and Procedures

Management did not always enforce policies and procedures for supervising city delivery operations. For example, supervisors did not always set daily expectations for carrier route performance during morning office operations. Some supervisors printed the Route Carrier Daily Performance Report,¹⁸ but did not always discuss it with carriers. In some instances supervisors did not print the report at all. Supervisors are required to have daily discussions about expectations with each carrier. In addition, all delivery service managers should develop and maintain their units at a high degree of efficiency and assure Postal Service standards are maintained.¹⁹

During FY 2014 the district used 265,462 more workhours than necessary, resulting in \$12.3 million in questioned costs. Furthermore, increasing overall efficiency at these delivery units would allow an additional one-time cost avoidance of about \$12.3 million the following year.

Assets at Risk

Employees did not always properly secure and lock stamp stock inventory at 11 of the 30 delivery units we visited. This inventory consisted of stamp stock, cash, and money orders worth a total of \$512,371 (see Figure 4). Physical access controls reduce the security risk to Postal Service employees and safeguarding controls reduce the potential for loss or misappropriation of assets. We brought these issues to the attention of the station managers, who took immediate corrective action; therefore, we are not making a recommendation on this issue.

Figure 4. Assets At Risk



Source: OIG photograph taken November 18, 2014, at 7:29 a.m



Source: OIG photograph taken November 18, 2014, at 7:56 a.m.

¹⁷ In our preliminary briefing with district management on December 3, 2014, they said IOPs were being electronically updated.

¹⁸ *Field Operations Standardization Development, Morning (AM) Standard Operating Procedures (AMSOP) II Guidebook*, Section 5-7, 2007.

¹⁹ Handbook M-39, TL-13, Section 1, Administration of City Delivery Service.

Other Matters

CCAs fill in for regular city carriers on their routes and perform other mail delivery and collection tasks. During fieldwork, the district manager requested the OIG ask CCAs what they can do to improve CCA retention in the district. The CCAs responded to our inquiry with the following suggestions:

To improve retention, the Greater Boston District attempts to convert some CCAs to career positions each month as attrition occurs. The district converted 79 CCA positions to permanent full-time positions in November 2014, converted 10 more in December 2014, and 24 more in January 2015. We are referring this issue to the OIG Human Resources and Support Directorate for further review of CCA retention nationwide; therefore, we are not making a recommendation regarding this issue in this report.

Recommendations

We recommend management eliminate 265,462 workhours at the delivery units, prepare up-to-date integrated operating plans, and eliminate inefficient office practices. Management should also ensure letter mailpieces arrive in route order and adhere to Postal Service supervisor policies and procedures.

We recommend the district manager, Greater Boston District:

1. Eliminate 265,462 workhours at delivery units.
2. Increase mail arrival efficiency by preparing up-to-date integrated operating plans with facility processing managers.
3. Eliminate inefficient office practices, such as carriers waiting in line for accountable mail and loading vehicles on office time.
4. Ensure delivery point sequence mail arrives in route order and in shelved or modified containers for easy retrieval by carriers.
5. Ensure adherence to U.S. Postal Service policies and procedures for supervising city delivery operations at delivery units.

Management's Comments

Management agreed with the findings and recommendations, however, they did not address whether they agreed with the monetary impact in the attached management comments. However, in subsequent discussions, management disagreed with the monetary impact. Management questioned the accuracy of the 123.23 percent to standard used by the audit team as the base number in determining the workhours to eliminate and to calculate projected savings. Management believes this method inflates the dollar savings amount projected. In addition, management stated the audit did not review or compare all of the operations and labor distribution code (LDC) for Function 2B, City Delivery, to make an assessment of monetary savings. Thus, employees charging to the incorrect operations and employees incorrectly charging time may inflate the percent to standard related to LDC 21, Office.

In response to recommendation 1, management agreed with the need to reduce workhours at the delivery units and deployed several strategies to address the recommendation. Management rolled out the Lean Mail Delivery initiative in all city delivery units. This has organized work room floors which reduced waiting time for carriers and trips to letter and flat distribution cases. Also, through the Lean Mail Delivery initiative management has introduced mobile accountable mail carts to reduce waiting time at the registry cages. Further, management eliminated the casing of DPS and Flats Sequencing System mail, audited high opportunity offices to correct inefficient office practices, and held delivery training for postmasters and station managers which focused on improving office efficiency through daily management. Management completed implementation between January 21, 2015 through April 13, 2015.

In response to recommendation 2, management agreed with the need to have current IOP agreements and have updated IOP's. Management completed implementation on January 30, 2015.

In response to recommendation 3, management agreed to eliminate inefficient office practices and has deployed accountable mail carts to delivery units and eliminated several registry cages. Also, the practice of loading vehicles on office time has been corrected and will be monitored for compliance. Management completed implementation on March 30, 2015.

In response to recommendation 4, management agreed to ensure DPS mail arrives in route order and in shelved or modified containers for easy retrieval by carriers. The Greater Boston District has introduced a modified General Purpose Mail Container retrofitted to allow six routes to be dispatched in a staged container. Management completed implementation on April 30, 2015.

In response to recommendation 5, management agreed to ensure adherence to Postal Service policies and procedures for supervising city delivery operations at delivery units. The Greater Boston District conducted training for postmasters, station managers and supervisors which focused on daily management and proper use of the delivery management tools. The target implementation date is May 20, 2015.

See [Appendix C](#) for management's comments, in their entirety.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendations and corrective actions taken or planned should resolve the issues identified in the report.

Regarding monetary impact, we did not look at all Function 2B LDCs because the scope of our audit was city delivery office operations which only includes LDCs 21, 28 and 29. This data was obtained from Postal Service eFlash. In regards to the savings calculations, we believe the estimated dollar savings are not inflated and were properly computed. Specifically, we obtained the national percent to standard average of 107.09 from eFlash and calculated 265,462 office workhours savings based on our universe of 68 delivery units with more than 15 routes and a percent to standard higher than the national average. According to standards established by the Postal Service, any number greater than 100 percent indicates the delivery unit's office performance is below the desired standard. We agree with management's comment that employees charging to the incorrect operations could effect percent to standard. However, Postal Service has put procedures in place to minimize this issue. Both the Time and Attendance Collection System and Delivery Operation Information System procedures specifically require supervisors to identify and correct clockring errors and omissions on a daily and weekly basis. Therefore, OIG believes that eFlash is a valid data source and percent to standard an appropriate indicator for use in calculating workhour saving.

The OIG considers recommendation 1 significant, and therefore requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. This recommendation should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendation can be closed.

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Appendix A: Additional Information

Background

City delivery office operations cover every duty a letter carrier performs in the office. These duties include casing mail, preparing parcels for delivery, and retrieving accountable items. City letter carriers are delivering more packages and fewer letters to a growing number of addresses that are added to the delivery network each year. Accommodating this new growth requires the Postal Service to deliver the increased package volume and maintain efficiency.

Objective, Scope, and Methodology

Our objective was to assess the office efficiency of city delivery operations in the Greater Boston District. To accomplish our objective we:

- Ranked each of the seven areas from highest to lowest in terms of percent to standard from October 1, 2013 through September 30, 2014. We used the eFlash²⁰ national percent to standard measurement of 107.09 percent as a baseline guide.
- Selected the Northeast Area and, within that area, selected the Greater Boston District for review because it had the second highest percent to standard in the nation²¹ at 123.23, compared with the national average of 107.09 percent.²²
- Analyzed the percent to standard for 183 delivery units in the Greater Boston District and identified a universe of 68 delivery units with 15 or more routes with a percent to standard higher than the national average of 107.09 percent. We randomly selected a sample of 30 units from this universe of 68 to conduct onsite observations of city delivery office operations.
- Obtained, reviewed, and analyzed city delivery unit data from eFlash and the Enterprise Data Warehouse (EDW) for all city delivery routes.
- Conducted interviews on-site and obtained information on city carrier office operations, unit operations, processes, and procedures.
- Reviewed documentation and applicable policies and procedures for city delivery and Postal Service Handbooks M-39²³ and M-41.²⁴

We conducted this performance audit from October 2014 through May 2015, in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on March 25, 2015²⁵ and included their comments where appropriate.

20 A weekly operating reporting management system that combines data from Delivery, Mail Processing, Employee Relations, Labor Relations, and Finance. The information is extracted from various host systems and loaded into eFlash.

21 We selected the Greater Boston District over the Long Island District because the Greater Boston District has consistently ranked as one of the weakest percent to standard districts over the last several quarters.

22 The OIG developed a series of interrelated city delivery efficiency indicators at the district level to rank the relative risk of the 67 Postal Service districts for operational and service issues. We analyzed the city delivery efficiency indicator for percent to standard for FY 2014 and the Greater Boston District ranked 24, 5, 35, and 9 out of 67 districts for Quarters 1 through 4, respectively.

23 Handbook M-39, *Management of Delivery Services*, March 1998.

24 Handbook M-41, *City Delivery Carriers Duties and Responsibilities*, March 1998.

25 A follow-up meeting was held with management on April 1, 2015 to address additional concerns.

We relied on data primarily from eFlash and EDW. We obtained data from October 1, 2013 through September 30, 2014. We did not directly audit the systems, but performed a limited data integrity review to support our data reliance. We assessed the reliability of systems' data by reviewing existing information about the data and the systems that produce them and interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

Report Title	Report Number	Final Report Date	Monetary Impact (in millions)
<i>City Delivery Efficiency - South Florida District</i>	DR-AR-14-004	3/4/2014	\$30,587,250
Report Results: The report determined the South Florida District has opportunities to enhance efficiency in city delivery operations. We found that 83 of 112 delivery units (74 percent) used 374,982 more workhours than projected. This occurred because management did not always enforce policies and procedures for supervising city delivery operations. Also, office and street supervision was inconsistent at the delivery units, allowing for some inefficiency in operations. Officials indicated their office workload priorities limited their ability to monitor carriers delivering mail. We identified the potential to eliminate 374,982 workhours through improved supervision and other efforts. Management agreed with our findings, recommendations, and monetary impact.			
<i>City Delivery Operations- Lancaster Carrier Annex</i>	DR-MA-12-003	9/28/2012	\$1,900,064
Report Results: The Lancaster Carrier Annex could improve city delivery efficiency by eliminating 12,339 workhours annually. We determined it did not always enforce policy and procedures, use Global Positioning System equipment to track route time, and a low supervisor-to-employee ratio in the delivery units. Management agreed with our findings, recommendations, and monetary impact.			
<i>City Delivery Operations – Brick Main Post Office</i>	DR-MA-12-004	9/27/2012	\$1,228,120
Report Results: The Brick Main Post Office has opportunities to enhance city letter efficiency and reduce 7,744 workhours annually. Management did not always reinforce Postal Service policies and procedures for supervising city delivery operations or ensure carriers used efficient office and street practices. Also, management did not have automated vehicle tracking technology to assist in more effective street supervision. Management agreed, or agreed in principle, with the findings, recommendations, and monetary impact.			

**Appendix B:
Units Randomly Selected
for Site Observations**

	DELIVERY UNITS	PERCENT TO STANDARD	NUMBER OF CITY ROUTES
1	Central Square Main Post Office	162	43
2	Needham Branch	159	36
3	John F. Kennedy Station	152	35
4	Brookline Branch	152	49
5	West Newton Branch	152	16
6	Watertown Branch	143	35
7	Medford Branch	140	45
8	Chelsea Carrier Annex	139	143
9	Salem Post Office	138	30
10	Billerica Post Office	138	18
11	Mattapan Station	138	16
12	East Weymouth Branch	135	15
13	Hyde Park Station	134	24
14	Revere Carrier Annex	134	34
15	Wakefield Post Office	132	23
16	Wellesley Branch	130	16
17	Leominster Post Office	130	26
18	West Roxbury Station	128	33
19	Quincy Branch	127	58
20	Stoneham Branch	125	25
21	Fitchburg Post Office	125	32
22	Lynn Post Office	122	102
23	Allston Station	120	15
24	Peabody Post Office	119	47
25	Chestnut Hill Branch	116	22
26	Roslindale Station	115	24
27	Marlborough Post Office	114	25
28	Dedham Post Office	112	24
29	Dorchester Center Station	109	33
30	Norwood Post Office	108	43

Source: Postal Service eFlash for FY 2014

Appendix C: Management's Comments

DISTRICT MANAGER
USPS GREATER BOSTON



MAY 5, 2015

MEMORANDUM FOR LORI LAU DILLARD
DIRECTOR, AUDIT OPERATIONS

SUBJECT: Report Number DR-AR-15 Greater Boston Response

Please find below the Greater Boston District response to City Delivery Office Efficiency Audit Report dated April 20, 2015.

The report identifies five recommendations and they are listed below along with management responses:

Recommendation 1: Eliminate 265,462 workhours at the delivery units.

Greater Boston agrees with the need to reduce workhours at delivery units. We have deployed several strategies already to address this recommendation. The strategies are as follows:

1. Greater Boston rolled out Lean Mail Delivery in all city delivery units. This has organized workroom floors and improved efficiency in F4 distribution to carriers which has reduced waiting time. Lean Delivery has also reduced trips to letter and flat distribution cases by carriers which has improved office efficiency as well. Phase 1 of Lean Mail Delivery was completed March 30, 2015
2. Through the Lean Mail Delivery initiative, we have introduced mobile accountable mail carts to reduce waiting time at registry cages for accountable mail. Phase 1 of Lean Mail Delivery was completed March 30 2015.
3. We eliminated casing of DPS and FSS mail where that was happening. Operations Programs Support reissued proper SOP for handling DPS, FSS and sequenced mailings. All offices certified that the SOP was being followed by January 30th, 2015.

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4. Operations Programs Support has audited high opportunity offices and corrected inefficient office practices. Ops Support visited several high impact offices from January 21, 2015 through February 27, 2015 correcting inefficient work practices at each location.

5. The District Leadership held Postmaster/Station Manager delivery training meetings around the district in PQ2. Improving office efficiency through daily management and utilization of tools such as DOIS was a focal point of the meetings and has had positive impact on % to Standard which continues to trend down. We also passed out an "Office Observation Checklist" at these meetings that lists all the potential inefficiencies and the M-39 references. We further reinforced the utilization of PS Form 1838-C to help address individual carriers not meeting expectations in the office. This round of meetings/training was conducted throughout the district from April 7th – April 13, 2015.

Recommendation 2: Increase mail arrival efficiency by preparing up to date Intergrated Operating Plans with facility processing managers.

Greater Boston agrees with the need to have current IOP agreements. As a result of operational window changes that were implemented in early January, Greater Boston has changed associated transportation and DPS processing windows to get mail to the critical delivery units earlier in the day. All delivery units have updated IOP's. The IOPs were updated in the Mail Arrive Profile (MAP) tab of the Staffing Scheduling Tool (SST) online. This was begun January 6, 2015 and completed January 30, 2015. This effort has had a positive impact on driving mail up earlier to the carriers across the district.

Recommendation 3: Eliminate inefficient office practices, such as carriers waiting in line for accountable mail and loading vehicles on office time.

Greater Boston agrees with this recommendation. The Lean Mail Delivery initiative has deployed accountable mail carts to delivery units and eliminated several Registry Cages. The practice of loading on office time has been corrected. We will continue to monitor this for compliance. Phase 1 of Lean Mail delivery was completed March 30, 2015.

Recommendation 4: Ensure delivery point sequence mail arrives in route order and in shelved or modified containers for easy retrieval by carriers.

Greater Boston agrees with this recommendation. Greater Boston has introduced a modified General Purpose Mail Container (GPMC) retrofitted to allow for 6 routes to be dispatched in a staged container. These containers can be used for DPS to any office as they are not office specific. The use of Postal Paks to dispatch DPS mail has been eliminated. All city delivery offices served by the Brockton plant have been converted to DPS staged containers as of December 31, 2015. Consideration for low impact zones will be made as processing operational opportunities exist. Several critical zones served by the Boston P&DC have been converted as of April 30, 2015.

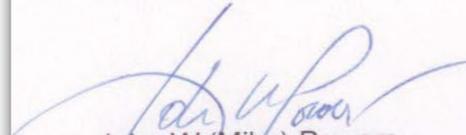
Recommendation 5: Ensure adherence to US Postal Service policies and procedures for supervising city delivery operations at delivery units.

Greater Boston agrees with this recommendation. We conducted training to Postmasters, Station Managers and Supervisors throughout the district in PQ2. It was a back to basics approach which focused on daily management and proper use of the delivery management tools. This served as refresher for experienced delivery managers and elevated knowledge levels for new Supervisors and Acting Supervisors. This training was conducted by District Leadership and OPS Support.

This training initiative began March 25, 2015. The final scheduled training is May 20, 2015.

Freedom of Information Act (FOIA)

The district has reviewed the report and has not identified any portions that need to be exempt under FOIA.



John W (Mike) Powers
District Manager
Greater Boston District



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UNITED STATES POSTAL SERVICE

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